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Legality of Ties to Contras Questioned

Report by Sen. Kerry Seeks Probe Into Alleged Supply Network

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Sen. John F. Kerry (D-Mass.) yesterday outlined allegations from more than 50 sources that he said raise "serious questions about whether the United States has abided by the law" in its relations with Nicaraguan rebels, known as contras, over the last three years.

The 12-page interim report by Kerry's staff repeated his assertion that "a full-scale congressional investigation, with testimony taken under oath and witnesses required to testify under subpoena, is necessary in order to get to the truth" of the charges.

The Senate Foreign Relations Committee, of which Kerry is a member, said last July that it would decide whether to open such a probe after reviewing Kerry's evidence. Committee staff members said no decision will be made until next year.

The report said "more than 50 witnesses," nearly all of them anonymous, told Kerry's staff in informal conversations about "an interlocking web of bank accounts, airstrips, planes, pilots and contra bases which have been used in common by weapons smugglers, narcotics smugglers, the contras and organizations assisting the contras."

The sources linked that system to "the private network established by Lt. Col. Oliver L. North," deputy director for political-military affairs on the National Security Council. The NSC allegedly "helped the contras with arms purchases, fund raising and enlistment of military trainers" even though Congress had barred U.S. officials from providing such aid, according to the report.

A spokesman for the NSC issued the following statement: "The House and Senate intelligence committees have reviewed the allegations which have arisen from time to time that Col. North is engaged in improper activities concerning Central America. These charges are patently untrue and both committees have found them groundless. Col. North remains a highly competent and trusted member of the NSC staff."

Private backers of the contras may also have violated U.S. laws "by providing soldiers, military training and/or weapons to the contras from U.S. territory," the report said.

The report, entitled, " 'Private Assistance' and the Contras," weaves newspaper reports with staff interviews and historical events. It describes many charges not previously aired, often against groups and individuals not previously linked publicly to the contras.

The individuals' responses, if any, are not included. Asked about supporting evidence, Kerry staff member Dick McCall said, "we have maintained all along that if we get subpoena power, the evidence will be there."

The report said most weapons shipments to contra bases at Aguacate and La Ceiba in Honduras "were allegedly conducted from the Dominican Republic."

It said sources named a Frank or Francisco Chanes, a Cuban American in the seafood business in Miami, as a major financial backer and arms supplier for contra operations in southern Nicaragua, and linked him to Frank Castro, an unindicted coconspirator in the narcotics ring purchase of the Sunshine Bank of Florida last year. The sources also charged that a Chanes bank account received more than $206,000 in U.S. humanitarian aid funds this year.

Repeated telephone calls to Chanes by The Washington Post were not answered.

Some of the private contract pilots have complained about being forced to engage in covert activity, the report said its sources alleged. The sources were quoted as saying American farmer C. John Hull, owner of several farms along the Costa Rican border with Nicaragua, claimed to be receiving $10,000 a month from the National Security Council for working as its liaison with the contras.

"Hull has denied having any connections to the contras, beyond providing wounded contras with medical care," the report said.

"Either U.S. officials have lied to the American people and violated restrictions passed by Congress, or private citizens have with apparent impunity violated U.S. laws" on neutrality and arms trafficking, the report said.

Vice President Bush maintained silence yesterday on conflicting reports of links between him and one of his top aides and a Cuban American who allegedly ran a secret supply operation out of El Salvador for the Nicaraguan rebels.

A top Salvadoran official on Monday denied Bush's statement that Salvadoran leaders had supported the efforts of Max Gomez, a Cuban American and former Central Intelligence Agency employe, to help El Salvador combat communist guerrillas. Bush's spokesman Marlin Fitzwater yesterday refused to comment on that denial.

"We've said all we're going to say," Fitzwater said. "The vice president is on the record about this. I am on the record about this."

Fitzwater added that neither he nor Bush's national security adviser, Donald P. Gregg, would comment on reports that Gregg had recommended Gomez to the Salvadorans. Gomez was linked to the supply operation by Eugene Hasenfus, the sole survivor of the crash of a C123 plane shot down over Nicaragua last week while trying to drop arms to the contras.

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